NMDC and the management rights vested in them.

The Steel Ministry examined the issues involved in May, 1994 and advised NMDC that the project may be developed as a joint venture with participation of one of the private companies operating or setting up a gas-based sponge iron plant in the country, who have already an assurance from NMDC to meet a substantial part of the plant's requirement for iron ore. The Government also suggested specific criteria to NMDC for selection of a joint venture partner.

The Board of Directors of NMDC constituted a sub-committee to select a joint venture partner on the basis of the criteria suggested by Ministry of Steel. The recommendations of the sub-committee, accepted by NMDC Board, are as follows:—

(i) To enter into joint venture with one of the following partners in the given order of preference:
  (i) M/s. Nippon Denro Ispat Limited.
  (ii) M/s. Essar Gujarat Limited.

(ii) To transfer a part of the lease of deposit 11-B held by NMDC (i.e., the area comprised in deposit 11-B) to the joint venture company after following the prescribed procedures.

(iii) To seek decision of Government regarding the consideration to be charged for transfer of the mining lease.

The Steel Ministry made an in-depth analysis of the recommendations received from NMDC and submitted a note to the Cabinet for consideration. As regards consideration to be charged for transfer of mining lease, it was felt that it would not be appropriate to treat it as a normal commercial transaction and realize the maximum consideration because this would render the final product costly and uncompetitive. More-over, the transfer was proposed to a joint venture company in which NMDC itself is a partner. At the same time, the Steel Ministry felt that NMDC should not be put to any pecuniary loss and should be compensated for the actual expenditure that it had incurred on exploration, feasibility and other preliminary works. The Steel Ministry, hence, proposed that the actual expenditure incurred as above, updated to current costs through an appropriate method to be determined by a recognised professional organisation such as the Institute of Cost & Works Accountants of India (ICWAI), should be recovered from the joint venture partner.

The Cabinet, in their meeting on 30.5.95, accorded approval to development of Bailadila 11-B deposit as a joint venture. Based on this, approval was accorded to NMDC on 13.6.95 to form the joint venture company and take other consequential actions. The interests of the local people and trade unions have been safeguarded by advising NMDC to stipulate in the joint venture agreement that the joint venture company will recruit all skilled, semi-skilled and unskilled workers through the Local Employment Exchange except to the extent that such workers are not available with the Local Employment Exchange. The joint venture agreement has since been signed on 10.7.95.

Establishing Residential Schools in Tribal Areas

1291. SHRI T. VENKATRAM REDDY:
SHRI G. PRATHAPA REDDY:

Will the Minister of HUMAN RESOURCE DEVELOPMENT be pleased to state:

(a) whether there is any plan under Government's consideration to assist the State Governments to establish one residential school in each Gram Panchayat in tribal areas;

(b) if so, the details thereof; and

(c) the details of the amount to be allocated to each of the States for this purpose?

THE DEPUTY MINISTER IN THE MINISTRY OF HUMAN RESOURCE DEVELOPMENT EDUCATION AND DEPTT. & CULTURE (KUMARI SELJA): (a) No. Sir.

(b) and (c) Do not arise.

Critical Condition of DAMS on Rivers and Reservoirs due to delayed Monsoon

1292. SHRI S.S. SURJEWALA: Will the Minister of WATER RESOURCES be pleased to state:

(a) whether the levels of various reservoirs, river basins and dams remains critical on account of the delayed monsoon, causing serious concern to the farmers and planners of the country;

(b) if so, the details of the levels of various reservoirs including that of the Bhakra Dam; and

(c) whether Government have prepared any contingency plan to cope with the situation?

THE MINISTER OF STATE IN THE MINISTRY OF WATER RESOURCES (SHRI P.V. RANGAYYA NAIDU:) (a) The storage position of reservoirs in the country based on the monitoring of 63 important reservoirs by Central Water Commission indicate that present storage position is less than last years storage and the average storage in the last 10 years. It is less than average in 36 out of 63 reservoirs.

(b) The reservoir levels of 63 important reservoirs spread all over the country, including Bhakra (Govindsagar), as available for the week ending 4.8.1995 is enclosed at Statement (*see* below).

(c) Yes, Sir. Ministry of Agriculture, Department of Agriculture and Cooperation, (Crop Division), Government of India have prepared a Model Contingent Plan for Crop production which is sent to different States as guidelines for preparing their own Contingent Plans to minimise reduction in the production of agricultural commodities despite adverse climatic conditions by way of selecting appropriate varieties of crops or appropriate alternate crop and production technologies for conditions of delay in outbreak of monsoon by different periods in different areas. The contingencies may arise due to (i) Delayed onset of Monsoon; (ii) Long inter spell of dry period; (iii) Early withdrawal of monsoon; and (iv) Heavy monsoon causing floods at different stages of crop growth.

Statement

Reservoir Levels of 63 Important Reservoirs in India Week Ending 04.08.1995

Sl. No.	Name of Reservoir	(State)	FRL (mts.)	Reservoir Level (mts.)		
				This Season	Date observed	Last Season
1	2		3	4	5	6
1.	Srisailam	(AP)	269.75	256.89	3.8.95	269.22
2.	Nagarjuna Sagar	(AP)	179.83	153.65	31.7.95	178.16
3.	Sriramsagar	(AP)	332.54	329.24	29.7.95	319.64
4.	Somasila	(AP)	100.58	85.64	2.8.95	82.23
5.	Tenughat	(BIH)	269.14	259.48	24.7.95	258.32
6.	Maithon	(BIH)	146.30	143.37	2.8.95	144.26
7.	Panchet Hill	(BIH)	124.97	124.25	2.8.95	125.77